

# Internal Revenue bulletin

Bulletin No. 1999-16  
April 19, 1999

## HIGHLIGHTS OF THIS ISSUE

These synopses are intended only as aids to the reader in identifying the subject matter covered. They may not be relied upon as authoritative interpretations.

### INCOME TAX

#### Notice 99-18, page 4.

**Credit for producing fuel from a nonconventional source, section 29 inflation adjustment factor and reference price.** This notice publishes the nonconventional source fuel credit, the inflation adjustment factor, and the reference price under section 29 of the Code for calendar year 1998. This data is used to determine the credit allowable on fuel produced from a nonconventional source.

### EMPLOYEE PLANS

#### Rev. Proc. 99-23, page 5.

**Qualified plans; remedial amendment period.** This procedure extends the remedial amendment period under section 401(b) of the Code for amending qualified plans within the meaning of section 401(a) or 403(a) for changes in the qualification requirements made by the Small Business Job Protection Act of 1996 and other recent legislation. In addition, this procedure extends the remedial amendment period for amending governmental and nonelecting church plans for the Tax Reform Act of 1986. Rev. Procs. 89-9, 89-13, section 13 of 93-39, 95-12, 97-41, and 98-14, modified. Notices 92-36, 96-64, 98-39, 98-52, and 99-5, modified.

### EXEMPT ORGANIZATIONS

#### Announcement 99-45, page 12.

The Abraham Lincoln Opportunity Foundation, Pine Mountain, GA, no longer qualifies as an organization to which contributions are deductible under section 170 of the Code.

### EXCISE TAX

#### Announcement 99-40, page 10.

This announcement describes provisions that will be included in the final kerosene tax regulations.

### ADMINISTRATIVE

#### Notice 99-19, page 4.

**Accounting periods; changes.** This notice invites public

comments on possible changes to published guidance concerning accounting period changes. Possible changes may include revising the criteria used to establish a substantial business purpose and allowing more automatic accounting period changes.

#### Announcement 99-36, page 10.

The Service will continue to publish the cumulative bulletin (CB) but in a new format. This decision was based on the responses from taxpayers, tax practitioners, and government agencies to the Service's proposal to discontinue the CB.

#### Announcement 99-41, page 10.

This document contains corrections to T.D. 8814, 1999-9 I.R.B. 4, that provides guidance as to when amounts deferred under or paid from a nonqualified deferred compensation plan are taken into account as wages for purposes of the employment taxes imposed by the Federal Insurance Contributions Act (FICA).

#### Announcement 99-42, page 11.

This document contains corrections to T.D. 8770, 1998-27 I.R.B. 4, relating to certain transfers of stock or securities by U.S. persons to foreign corporations and related reporting requirements.

#### Announcement 99-43, page 11.

This document contains corrections to T.D. 8817, 1999-8 I.R.B. 51, relating to certain transfers to foreign partnerships and corporations by U.S. persons.

#### Announcement 99-44, page 12.

This document contains corrections to T.D. 8011, 1985-1 C.B. 397, relating to the displaying of OMB control numbers on IRS regulations that solicit or obtain information from the public.

#### Announcement 99-46, page 13.

This document contains corrections to Announcement 99-24, 1999-14 I.R.B. 12, in which proposed revisions to Form 1042-S were poorly reproduced. We are providing more legible copies of Form 1042-S, and we are extending the date for receiving comments to May 19, 1999.

Finding Lists begin on page 26.

Announcement of Disbarments and Suspensions begins on page 21.



Department of the Treasury  
Internal Revenue Service

# Mission of the Service

Provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities

and by applying the tax law with integrity and fairness to all.

## Introduction

The Internal Revenue Bulletin is the authoritative instrument of the Commissioner of Internal Revenue for announcing official rulings and procedures of the Internal Revenue Service and for publishing Treasury Decisions, Executive Orders, Tax Conventions, legislation, court decisions, and other items of general interest. It is published weekly and may be obtained from the Superintendent of Documents on a subscription basis. Bulletin contents are consolidated semiannually into Cumulative Bulletins, which are sold on a single-copy basis.

It is the policy of the Service to publish in the Bulletin all substantive rulings necessary to promote a uniform application of the tax laws, including all rulings that supersede, revoke, modify, or amend any of those previously published in the Bulletin. All published rulings apply retroactively unless otherwise indicated. Procedures relating solely to matters of internal management are not published; however, statements of internal practices and procedures that affect the rights and duties of taxpayers are published.

Revenue rulings represent the conclusions of the Service on the application of the law to the pivotal facts stated in the revenue ruling. In those based on positions taken in rulings to taxpayers or technical advice to Service field offices, identifying details and information of a confidential nature are deleted to prevent unwarranted invasions of privacy and to comply with statutory requirements.

Rulings and procedures reported in the Bulletin do not have the force and effect of Treasury Department Regulations, but they may be used as precedents. Unpublished rulings will not be relied on, used, or cited as precedents by Service personnel in the disposition of other cases. In applying published rulings and procedures, the effect of subsequent legislation, regulations, court decisions, rulings, and proce-

dures must be considered, and Service personnel and others concerned are cautioned against reaching the same conclusions in other cases unless the facts and circumstances are substantially the same.

The Bulletin is divided into four parts as follows:

### **Part I.—1986 Code.**

This part includes rulings and decisions based on provisions of the Internal Revenue Code of 1986.

### **Part II.—Treaties and Tax Legislation.**

This part is divided into two subparts as follows: Subpart A, Tax Conventions, and Subpart B, Legislation and Related Committee Reports.

### **Part III.—Administrative, Procedural, and Miscellaneous.**

To the extent practicable, pertinent cross references to these subjects are contained in the other Parts and Subparts. Also included in this part are Bank Secrecy Act Administrative Rulings. Bank Secrecy Act Administrative Rulings are issued by the Department of the Treasury's Office of the Assistant Secretary (Enforcement).

### **Part IV.—Items of General Interest.**

This part includes notices of proposed rulemakings, disbarment and suspension lists, and announcements.

The first Bulletin for each month includes a cumulative index for the matters published during the preceding months. These monthly indexes are cumulated on a semiannual basis, and are published in the first Bulletin of the succeeding semiannual period, respectively.

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# Part I. Rulings and Decisions Under the Internal Revenue Code of 1986

## Section 401.—Qualified Pension, Profit-Sharing and Stock Bonus Plans

*26 CFR 1.401(b)-1: Certain retroactive changes in plan.*

A remedial amendment period for changes in plan qualification requirements made by the Small Business Job Protection Act of 1996 and other recent legislation is provided. See Rev. Proc. 99-23, page 5

## Part III. Administrative, Procedural, and Miscellaneous

### Nonconventional Source Fuel Credit, § 29 Inflation Adjustment Factor, and § 29 Reference Price

#### Notice 99-18

This notice publishes the nonconventional source fuel credit, inflation adjustment factor, and reference price under § 29 of the Internal Revenue Code for calendar year 1998. These are used to determine the credit allowable on fuel produced from a nonconventional source under § 29 of the Internal Revenue Code. The calendar year 1998 inflation-adjusted credit applies to the sales of barrel-of-oil equivalent of qualified fuels sold by a taxpayer to an unrelated person during the 1998 calendar year, the domestic production of which is attributable to the taxpayer.

#### BACKGROUND

Section 29(a) provides for a credit for producing fuel from a nonconventional source, measured in barrel-of-oil equivalent of qualified fuels, the production of which is attributable to the taxpayer and sold by the taxpayer to an unrelated person during the tax year. The credit is equal to the product of \$3.00 and the appropriate inflation adjustment factor.

Section 29(b)(1) and (2) provides for a phase out of the credit. The credit allowable under § 29(a) must be reduced by an amount which bears the same ratio to the amount of the credit (determined without regard to § 29(b)(1)) as the amount by which the reference price for the calendar year in which the sale occurs exceeds \$23.50 bears to \$6.00. The \$3.00 in § 29(a) and the \$23.50 and \$6.00 must each be adjusted by multiplying these amounts by the 1998 inflation adjustment factor. In the case of gas from a tight formation, the \$3.00 amount in § 29(a) must not be adjusted.

Section 29(c)(1) defines the term “qualified fuels” to include oil produced from shale and tar sands; gas produced from geopressurized brine, Devonian shale, coal seams, or a tight formation, or biomass; and liquid, gaseous, or solid synthetic fuels produced from coal (in-

cluding lignite), including such fuels when used as feedstocks.

Section 29(d)(1) provides that the credit is to be applied only for sale of qualified fuels the production of which is within the United States (within the meaning of § 638(1)) or a possession of the United States (within the meaning of § 638(2)).

Section 29(d)(2)(A) requires that the Secretary, not later than April 1 of each calendar year, determine and publish in the Federal Register the inflation adjustment factor and the reference price for the preceding calendar year.

Section 29(d)(2)(B) defines “inflation adjustment factor” for a calendar year as the fraction the numerator of which is the GNP implicit price deflator for the calendar year and the denominator of which is the GNP implicit price deflator for calendar year 1979. The term “GNP implicit price deflator” means the first version of the implicit price deflator for the gross national product as computed and published by the Department of Commerce.

Section 29(d)(2)(C) defines “reference price” to mean with respect to a calendar year the Secretary’s estimate of the annual average wellhead price per barrel of all domestic crude oil the price of which is not subject to regulation by the United States.

Section 29(d)(3) provides that in the case of a property or facility in which more than one person has an interest, except to the extent provided by regulations prepared by the Secretary, production from the property or facility (as the case may be) must be allocated among the persons in proportion to their respective interests in the gross sales from the property or facility.

Section 29(d)(5) and (6) provides that the term “barrel-of-oil equivalent” with respect to any fuel generally means that amount of the fuel which has a Btu content of 5.8 million.

#### INFLATION ADJUSTMENT FACTOR AND REFERENCE PRICE

The inflation adjustment factor for calendar year 1998 is 2.0384. The reference price for calendar year 1998 is \$10.88. As required by § 29(d)(2)(A), the inflation

adjustment factor and reference price for calendar year 1998 will be published in the Federal Register on April 6, 1999.

#### PHASE-OUT CALCULATION

Because the calendar year 1998 reference price does not exceed \$23.50 multiplied by the inflation adjustment factor, the phase out of the credit provided for in § 29(b)(1) does not occur for any qualified fuel sold in calendar year 1998.

#### CREDIT AMOUNT

The nonconventional source fuel credit under § 29(a) is \$6.12 per barrel-of-oil equivalent of qualified fuels ( $\$3.00 \times 2.0284$ ). This amount will be published in the Federal Register on April 6, 1999.

#### DRAFTING INFORMATION CONTACT

The principal author of this notice is Alan H. Cooper of the Office of Assistant Chief Counsel (Passthroughs and Special Industries). For further information regarding this notice contact Alan H. Cooper at (202) 622-3110 (not a toll-free call).

### Accounting Period Guidance

#### Notice 99-19

##### PURPOSE

This notice invites public comment on possible changes to published guidance concerning accounting period changes. Among possible changes under consideration are: (1) revising the criteria used to establish a substantial business purpose, including what constitutes a natural business year; and (2) allowing more accounting period changes to be made automatically.

##### BACKGROUND

Section 441 of the Internal Revenue Code provides that taxable income must be computed on the basis of the taxpayer’s taxable year. In general, the term “taxable year” means the taxpayer’s annual accounting period, which can be a calendar or fiscal year, or a period of less than 12 months for which a return is made

(i.e., a short period). The term “annual accounting period” means the annual period on the basis of which the taxpayer regularly computes its income in keeping its books. Special rules under the Code and Income Tax Regulations require particular accounting periods for certain taxpayers such as domestic international sales corporations and foreign sales corporations (§ 441(h)), personal service corporations (§ 441(i)), certain trusts (§ 644), partnerships (§ 706), real estate investment trusts (§ 859), real estate mortgage investment conduits (§ 860D(a)(5)), specified foreign corporations (§ 898), S corporations (§ 1378), and members of affiliated groups that file consolidated returns (Treas. Reg. § 1.1502-76).

Section 442 provides that if a taxpayer changes its annual accounting period, the new accounting period becomes the taxpayer’s taxable year only if the change is approved by the Secretary. In addition, adoptions of fiscal years by certain taxpayers are treated as accounting period changes and thus can become the taxpayer’s taxable year only with the approval of the Secretary. (See e.g., § 706(b)(1)(C)).

Section 1.442-1(b) provides that approval for an accounting period change will not be granted unless the taxpayer and the Commissioner agree to the terms, conditions, and adjustments under which the change will be effected. In general, a change of annual accounting period will be approved where the taxpayer establishes a substantial business purpose for making the change.

Under the Code and regulations, certain taxpayers are allowed to change their annual accounting periods automatically without securing the prior approval of the Commissioner (see, e.g., § 859(b) and Treas. Reg. §§ 1.442-1(c), (d), and (e)). In addition, the Service has issued several revenue procedures, such as Rev. Proc. 92-13, 1992-1 C.B. 665; Rev. Proc. 87-32, 1987-2 C.B. 396; and Rev. Proc. 66-50, 1966-2 C.B. 1260, that enable taxpayers to obtain automatic approval of changes in their accounting periods, if specific conditions are satisfied.

#### REQUEST FOR PUBLIC COMMENT

The Service is considering what, if any, changes should be made in order to clar-

ify and simplify published guidance concerning accounting period changes. Accordingly, the Service and Treasury request comments on possible changes to current accounting period guidance including, but not limited to, the following:

(1) What changes should be made to the rules governing the approval of accounting period change requests? For example, what changes, if any, should be made to the substantial business purpose requirement? See Treas. Reg. § 1.442-1(b)(1). How should deferral or shifting of income, or acceleration or shifting of deductions, (“deferral”) be considered in determining whether to approve an accounting period change request? For example, should safe harbors permitting de minimis deferral be established? If an accounting period change that creates deferral is permitted, what terms and conditions should apply to the change? Should all taxpayers, regardless of their form (e.g., corporation, partnership, S corporation), be subject to the same criteria for approval? Should the rules for establishing a natural business year be revised, and if so, how? See Rev. Proc. 74-33, 1974-2 C.B. 489.

(2) How should the current automatic accounting period change procedures be organized, clarified, and simplified? See, e.g., Treas. Reg. § 1.442-1, Rev. Proc. 92-13, Rev. Proc. 87-32, and Rev. Proc. 66-50. Should the Service provide procedures for automatic approval to change accounting periods in additional situations? If so, what types of situations would warrant such automatic approval, and what, if any, terms and conditions should apply to such changes?

Taxpayers may submit comments in writing to:

Internal Revenue Service  
Attn: CC:DOM:CORP:R (Notice 99-19, Room 5226).  
P.O. Box 7604  
Ben Franklin Station  
Washington, D.C. 20044

Alternatively, taxpayers may submit comments electronically at:

<http://www.irs.ustreas.gov/prod/cover.html> (the IRS Internet site).

All comments should be received by June 18, 1999. The comments submitted will be available for public inspection and copying.

#### DRAFTING INFORMATION

The principal author of this notice is Martin Scully of the Office of Assistant Chief Counsel (Income Tax and Accounting). For further information regarding this notice contact Mr. Scully on (202) 622-4960 (not a toll-free call).

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26 CFR 601.201: Rulings and determination letters  
(Also, Part I, section 401; 1.401(b)-1.)

#### Rev. Proc. 99-23

##### SECTION 1. PURPOSE

.01 This revenue procedure extends until the last day of the first plan year beginning on or after January 1, 2000, the remedial amendment period under § 401(b) of the Code for amending plans that are qualified under § 401(a) or § 403(a) for changes made by the Small Business Job Protection Act of 1996, Pub. L. 104-188 (“SBJPA”) and for other recent changes in the law. It also designates as a disqualifying provision for which this extended remedial amendment period is available any plan provision that causes a plan to fail to satisfy the qualification requirements of the Code because of the repeal of the combined plan limitation under § 415(e) or that is integral to this repealed qualification requirement. The repeal of § 415(e) is effective for limitation years beginning after December 31, 1999.

.02 This revenue procedure provides that the extension of the remedial amendment period also applies:

1 to all disqualifying provisions of new plans adopted or effective after December 7, 1994, and all disqualifying provisions of existing plans arising from a plan amendment adopted after December 7, 1994;

2 to the deadline for adopting certain amendments relating to § 415(b)(2)(E);

3 to the deadline for adopting amendments of disqualifying provisions that are integral to a qualification requirement changed by a provision of SBJPA that became effective on the first day of the first plan year beginning after December 31, 1998; and

4 to the deadline for adopting amendments of disqualifying provisions that are integral to the requirements of § 401(a)-(31) to reflect the change made by



§ 6005(c)(2) of the Internal Revenue Service Restructuring and Reform Act of 1998, Pub. L. 105-206 ("RRA 98").

.03 This revenue procedure also provides that the extension of the remedial amendment period applies to the time for adopting amendments of defined benefit plans to provide that benefits will be determined in accordance with the applicable interest rate rules and applicable mortality table rules of § 1.417(e)-1(d) of the Income Tax Regulations. However, such a plan amendment must provide that, with respect to distributions with annuity starting dates that are on or after the effective date of the amendment but before the adoption date of the amendment, the distribution will be the greater of the amount that would be determined under the plan without regard to the amendment and the amount determined under the plan with regard to the amendment.

.04 This revenue procedure extends by one year the period of extended reliance for certain plans that received favorable determination, opinion, or notification letters under the Tax Reform Act of 1986, Pub. L. 99-514 ("TRA 86").

.05 Finally, this revenue procedure extends the TRA 86 remedial amendment period for governmental and nonelecting church plans to the end of the remedial amendment period for SBJPA. This extension ensures that no such plan need be submitted for a determination letter until the end of the SBJPA remedial amendment period. Sponsors of nonelecting church plans continue to have until the end of the 2001 plan year to adopt amendments relating to the nondiscrimination requirements.

## SECTION 2. BACKGROUND

.01 In recent years, the following public laws have made changes affecting the requirements for qualification of pension, profit-sharing, and stock bonus plans under § 401(a) or § 403(a):

1 the Uruguay Round Agreements Act, Pub. L. 103-464 ("GATT");

2 the Uniformed Services Employment and Reemployment Rights Act of 1994, Pub. L. 103-353 ("USERRA");

3 SBJPA;

4 the Taxpayer Relief Act of 1997, Pub. L. 105-34 ("TRA 97"); and

5 RRA 98.

.02 Rev. Proc. 97-41, 1997-33 I.R.B. 51, provided a remedial amendment period under § 401(b) with respect to certain amendments for GATT, SBJPA, and USERRA. The remedial amendment period that was provided under Rev. Proc. 97-41 generally permits plan amendments to be made retroactively effective if they are adopted before the end of the remedial amendment period and they relate to GATT, SBJPA, and USERRA qualification changes that are effective before the first day of the first plan year beginning on or after January 1, 1999. Rev. Proc. 98-14, 1998-4 I.R.B. 22, provided that the remedial amendment period described in Rev. Proc. 97-41 will also apply to plan amendments that relate to TRA 97. For plans other than governmental plans, the remedial amendment period under Rev. Proc. 97-41 and Rev. Proc. 98-14 ends on the last day of the first plan year beginning on or after January 1, 1999. For governmental plans, as defined in § 414(d), the remedial amendment period ends on the later of (i) the last day of the last plan year beginning before January 1, 2001, or (ii) the last day of the first plan year beginning on or after the "1999 legislative date" (that is, the 90th day after the opening of the first legislative session beginning after December 31, 1998, of the governing body with authority to amend the plan, if that body does not meet continuously). Those amendments that are required to be made to retain qualified status as a result of changes in the qualification requirements must be made retroactively effective as of the date on which the qualification change became effective with respect to the plan, and, in general, operational compliance prior to actual amendment is required. Those amendments that are not required but that amend plan provisions that are integrally related to qualification changes may be made retroactively effective as of the first day on which the plan was operated in accordance with the amended plan provision.

.03 The remedial amendment period described in Rev. Proc. 97-41 also applies with respect to all disqualifying provisions of new plans adopted or effective after December 7, 1994, and with respect to all plan amendments adopted after December 7, 1994, which would cause an existing plan to fail to be qualified.

.04 The end of the remedial amendment period described in Rev. Proc. 97-41 is also the deadline for adopting plan amendments applying the changes under § 415(b)(2)(E). It is, likewise, the deadline for adopting a plan amendment repealing a pre-August 20, 1996, GATT plan amendment, thereby permitting the earlier plan amendment to be disregarded in applying § 767(d)(3)(A) of GATT, as modified by § 1449(a) of SBJPA.

.05 Notice 98-52, 1998-46 I.R.B. 16, provided guidance on the nondiscrimination safe harbor methods in § 401(k)(12) and § 401(m)(11). This notice designates as disqualifying provisions under § 401(b) plan provisions that are integral to a qualification requirement changed by a provision of SBJPA that becomes effective on the first day of the first plan year beginning after December 31, 1998, provided two conditions are satisfied. First, the plan provisions must generally be amended by no later than the last day of the first plan year beginning after December 31, 1998. Second, the plan provisions, as amended, must be effective as of the first day of the first plan year beginning after December 31, 1998. Notice 98-52 also provides that a plan amendment that satisfies these conditions will not be treated as violating § 411(d)(6) merely because the plan amendment imposes the withdrawal restrictions required by § 401(k)(12)(E)(i), provided that those withdrawal restrictions do not apply with respect to contributions allocated as of a date before the first day of the first plan year beginning after December 31, 1998.

.06 Notice 99-5, 1999-3 I.R.B. 10, provided guidance relating to the exception to the definition of eligible rollover distribution for certain hardship distributions which was added to §§ 402(c)(4) and 403(b)(8)(B) by § 6005(c)(2)(A) and (B) of RRA 98. This definition is relevant in the application of the direct rollover requirements of § 401(a)(31). This notice designates as disqualifying provisions under § 401(b) plan provisions that are integral to the requirements of § 401(a)(31), but only to the extent such provisions are amended to reflect the change made by § 6005(c)(2) of RRA 98, provided two conditions are satisfied. First, the plan provisions must generally be amended to reflect the change made by § 6005(c)(2)

of RRA 98 by no later than the last day of the first plan year beginning after December 31, 1998. Second, the plan provisions, as amended, must be effective as of the first day the plan operates in accordance with the change made by § 6005(c)(2) of RRA 98.

.07 Under § 417(e)(3), as amended by § 767 of the Retirement Protection Act of 1994 ("RPA 94," which is part of GATT), and § 1.417(e)-1(d), a defined benefit plan must provide that the present value of any accrued benefit and the amount of any distribution must not be less than the amount calculated using the applicable interest rate described in § 1.417(e)-1(d)(3) and the applicable mortality table described in § 1.417(e)-1(d)(2). Prior to amendment by § 767 of RPA 94, § 417(e)(3) required, instead of the applicable interest rate, an interest rate based on the rate that would be used by the Pension Benefit Guaranty Corporation ("PBGC") for a trusted single-employer plan to value the participant's vested benefit ("PBGC rate"), and it did not impose any restrictions on the mortality table to be used. Section 767 of RPA 94 and § 1.417(e)-1(d) are generally effective for distributions with annuity starting dates in plan years beginning after December 31, 1994. However, § 417(e)(3)(B) provides a transition rule for plans adopted and in effect as of December 7, 1994 ("pre-GATT plans"). In general, under this rule, the present value of a distribution from a pre-GATT plan that is made before the earlier of (i) the first plan year beginning after December 31, 1999, or (ii) the later of the adoption or effective date of a plan amendment applying the changes made to § 417(e)(3) to the plan is to be determined under the plan's pre-GATT terms. Thus, for pre-GATT plans, amendments applying the changes to § 417(e)(3) to plan years beginning before January 1, 2000, could not be adopted retroactively, and these plans could not be operated in accordance with the changes prior to plan amendment.

.08 Section 767(d)(2) of RPA 94 provides that a participant's accrued benefit is not considered to be reduced in violation of § 411(d)(6) merely because the benefit is determined in accordance with the applicable interest rate rules and the applicable mortality table rules of § 417(e)(3)(A), as amended by RPA 94.

Section 1.417(e)-1(d)(10) explains the scope of relief from the requirements of § 411(d)(6). A plan amendment to comply with the applicable interest rate rules and the applicable mortality table rules of § 417(e)(3)(A), as amended by RPA 94, must apply to all distributions with annuity starting dates that occur in plan years beginning after December 31, 1999.

.09 Section 1.401(b)-1T(c)(3) authorizes the Commissioner to impose limits and provide additional rules regarding the amendments that may be made within the remedial amendment period with respect to a plan provision that has been designated by the Commissioner as a disqualifying provision under § 401(b).

.10 Under Rev. Proc. 89-9, 1989-1 C.B. 780, Rev. Proc. 89-13, 1989-1 C.B. 801 (both as modified by Rev. Proc. 93-9, 1993-1 C.B. 474), Rev. Proc. 93-39, 1993-2 C.B. 513, Announcement 94-85, 1994-26 I.R.B. 23, and Rev. Proc. 95-12, 1995-1 C.B. 508, plans that were submitted to the Service within certain deadlines for determination, opinion, or notification letters under TRA 86 and received favorable letters are entitled to extended reliance. The sponsor of a plan that is entitled to extended reliance on a favorable TRA 86 letter may rely on that letter until the earlier of the last day of the last plan year commencing prior to January 1, 1999, or the date established for plan amendment by any legislation that is effective after the date of the plan's letter. A plan with extended reliance must be amended by the last day of the first plan year beginning on or after January 1, 1999, to the extent necessary to comply with regulations or administrative guidance of general applicability that has been issued since the date of the plan's favorable TRA 86 letter. These amendments must be made effective no later than the first day of the first plan year beginning on or after January 1, 1999, and no earlier than the first day of the plan year in which the amendments are adopted. (But see Rev. Rul. 94-76, 1994-2 C.B. 46, and Rev. Rul. 96-47, 1996-2 C.B. 35.)

.11 For nonelecting church plans, Notice 98-39, 1998-33 I.R.B. 11, extended the remedial amendment period for plan amendments relating to regulations under §§ 401(a)(4), 401(a)(5), 401(l), and 414(s) ("TRA 86 remedial amendment period") until the last day of the first plan year be-

ginning on or after January 1, 2001. The remedial amendment period was not extended for other amendments covered by the TRA 86 remedial amendment period, such as amendments required to satisfy the Omnibus Budget Reconciliation Act of 1993 ("OBRA 93"), the Unemployment Compensation Act of 1992 ("UCA"), or the changes to the law under TRA 86 other than changes to the nondiscrimination rules. Sponsors of nonelecting church plans were required by Notice 96-64, 1996-2 C.B. 229, to adopt amendments satisfying those changes in law by the last day of the first plan year beginning on or after January 1, 1999.

.12 For governmental plans, Notice 96-64, citing Announcement 95-48, 1995-23 I.R.B. 13, provided that the TRA 86 remedial amendment period for plan amendments relating to regulations under §§ 401(a)(4), 401(a)(26), 401(k), 401(m), 410(b), and 414(s) was extended to the last day of the first plan year beginning on or after the later of January 1, 1999, or 90 days after the opening of the first legislative session beginning on or after January 1, 1999 ("1999 legislative date"). This extension of the TRA 86 remedial amendment period for governmental plans applied to all amendments relating to TRA 86, UCA, and OBRA 93, not just the nondiscrimination requirements.

### SECTION 3. EXTENSION OF REMEDIAL AMENDMENT PERIOD

.01 The remedial amendment period described in Rev. Proc. 97-41 and Rev. Proc. 98-14, hereafter referred to as the "GUST" remedial amendment period, is, in the case of nongovernmental plans, hereby extended to the last day of the first plan year beginning on or after January 1, 2000. This extension does not alter the GUST remedial amendment period for governmental plans described in Rev. Proc. 98-14.

.02 This extension also applies to the remedial amendment period with respect to disqualifying provisions of new plans adopted or effective after December 7, 1994, and with respect to plan amendments adopted after December 7, 1994, which would cause an existing plan to fail to be qualified.

.03 This extension also extends the deadline for adopting plan amendments

applying the changes under § 415(b)-(2)(E) and the deadline for adopting a plan amendment repealing a pre-August 20, 1996, GATT plan amendment, thereby permitting the earlier plan amendment to be disregarded in applying § 767(d)(3)(A) of GATT, as modified by § 1449(a) of SBJPA.

.04 The deadline, under Notice 98-52, for amending plan provisions that are integral to a qualification requirement changed by a provision of SBJPA that becomes effective on the first day of the first plan year beginning after December 31, 1998, is also extended to the end of the GUST remedial amendment period. In addition, the requirement, under Notice 98-52, that such plan provisions, as amended, must be effective as of the first day of the first plan year beginning after December 31, 1998, is eliminated. Instead, such plan provisions, as amended, must be effective no earlier than the first day of the first plan year beginning after December 31, 1998. Thus, for example, an existing § 401(k) plan may be amended by the last day of the 2000 plan year, retroactive to the first day of that year (or to the first day of the 1999 plan year), to satisfy the safe harbors in § 401(k)(12) and § 401(m)(11) for the 2000 plan year (or for both the 1999 and 2000 plan years). Lastly, Notice 98-52 is modified to provide that a plan amendment that is made within the GUST remedial amendment period will not be treated as violating § 411(d)(6) merely because the plan amendment imposes the withdrawal restrictions required by § 401(k)-(12)(E)(i), but only if those withdrawal restrictions do not apply with respect to contributions allocated as of a date before the first day of the first plan year for which the plan satisfies the safe harbor.

.05 The deadline, under Notice 99-5, for amending plan provisions that are integral to the requirements of § 401(a)(31) to reflect the change made by § 6005(c)-(2) of RRA 98 is also extended to the end of the GUST remedial amendment period. The requirement, under Notice 99-5, that such plan provisions, as amended, must be effective as of the first day the plan operates in accordance with the change made by § 6005(c)(2) of RRA 98 continues to apply.

.06 Finally, the extension of the remedial amendment period also applies to the

time for adopting amendments of defined benefit plans to provide that benefits will be determined in accordance with the applicable interest rate rules and applicable mortality table rules of § 1.417(e)-1(d). Thus, such a plan amendment may be adopted at any time up to the last day of the extended remedial amendment period, provided the amendment is made effective for distributions with annuity starting dates occurring in plan years beginning after December 31, 1999. However, pursuant to the Commissioner's authority in § 1.401(b)-1T(c)(3), if such a plan amendment is adopted after the last day of the last plan year beginning before January 1, 2000, the amendment must provide that, with respect to distributions with annuity starting dates that are after the last day of that plan year but before the date of adoption of the amendment, the distribution will be the greater of the amount that would be determined under the plan without regard to the amendment and the amount determined under the plan with regard to the amendment.

.07 The TRA 86 remedial amendment period for governmental plans is hereby extended to the end of the GUST remedial amendment period for governmental plans described in Rev. Proc. 98-14, and the TRA 86 remedial amendment period for nonelecting church plans is hereby extended to the last day of the first plan year beginning on or after January 1, 2000. Accordingly, governmental plans need not be amended to comply with TRA 86, UCA, or OBRA 93 (to the extent the provisions of those acts apply) until the date described in Rev. Proc. 98-14. In accordance with Notice 98-39, nonelecting church plans need not be amended to comply with the regulations under §§ 401(a)(4), 401(l), 410(b), or 414(s) until the last day of the first plan year beginning on or after January 1, 2001. For all other applicable provisions of those acts, however, nonelecting church plans must be amended by the last day of the first plan year beginning on or after January 1, 2000. The additional administrative relief provided under Notice 92-36, 1992-2 C.B. 364, continues to be available to governmental and nonelecting church plans through the end of their respective remedial amendment periods with respect to the applicable nondiscrimination requirements.

#### SECTION 4. DESIGNATION OF PLAN PROVISIONS INTEGRAL TO § 415(e) AS DISQUALIFYING PROVISIONS

A plan provision is hereby designated as a disqualifying provision under § 1.401(b)-1(b) if the plan provision causes a plan to fail to satisfy the qualification requirements of the Code because of the repeal of the combined plan limitation of § 415(e) by § 1452(a) of SBJPA or if the provision is integral to the limitation of § 415(e), as in effect prior to its repeal by § 1452(a) of SBJPA, provided the following conditions are satisfied. First, the plan provision must be amended to reflect the repeal of § 415(e) by the end of the GUST remedial amendment period. Second, in the case of a plan provision that is integral to the limitation of § 415(e), the plan provision, as amended, may not be effective earlier than the first day on which the plan was operated in accordance with the amended provision.

#### SECTION 5. EXTENSION OF EXTENDED RELIANCE PERIOD

The TRA 86 extended reliance period is extended by one year. A plan with extended reliance must therefore be amended by the end of the GUST remedial amendment period to the extent necessary to comply with regulations or administrative guidance of general applicability that have been issued since the date of the plan's favorable TRA 86 letter. These amendments must be made effective no later than the first day of the first plan year beginning on or after January 1, 2000, and, except in the case of master or prototype or other pre-approved plans, no earlier than the first day of the plan year in which the amendments are adopted. (But see Rev. Rul. 94-76 and Rev. Rul. 96-47.)

#### SECTION 6. EFFECT ON OTHER DOCUMENTS

The following revenue procedures and notices are modified: Rev. Proc. 89-9, Rev. Proc. 89-13, section 13 of Rev. Proc. 93-39, Rev. Proc. 95-12, Rev. Proc. 97-41, Rev. Proc. 98-14, Notice 92-36, Notice 96-64, Notice 98-39, Notice 98-52, and Notice 99-5.

#### SECTION 7. EFFECTIVE DATE

This revenue procedure is effective April 19, 1999.



#### DRAFTING INFORMATION

The principal author of this revenue procedure is James Flannery of the Em-

ployee Plans Division. For further information regarding this revenue procedure, contact the Employee Plans Division's telephone assistance service between the

hours of 1:30 and 3:30 p.m. Eastern time, Monday through Thursday, on (202) 622-6074/75. (These telephone numbers are not toll-free.)

## Part IV. Items of General Interest

### Cumulative Bulletin Continued With a New Format

#### Announcement 99-36

Last year the Service solicited comments on a proposal to discontinue publication of the cumulative bulletin (CB). The proposal was printed in the Federal Register dated October 2, 1998. Based on responses from taxpayers, tax practitioners, and government agencies, the Service has decided to continue publishing the CB.

Beginning with CB 1998-1, the CB will contain the same information but will have a new format.

1. Reprints of the weekly Internal Revenue Bulletins (IRBs) issued during the year will now be bound together to form the CB. Volume 1 will contain the first 26 issues of the IRB (1998-27 to 1998-52). Previously, the CB was created by consolidating Parts I-IV of the IRBs into Parts I-IV of the CB.

2. The CB will now include a new cumulative list titled "List of Rulings and Decisions Under the Internal Revenue Code of 1986." This list will be organized by code section and will identify, by citation only, the revenue rulings, revenue procedures, notices, and announcements that impact each code section. It will contain the page numbers in the CB. It can be used in the same manner as the "Numerical Finding List," which will now provide both the page number in the IRB and the page number in the CB.

3. The cumulative "Finding List of Current Actions on Previously Published Items" and the "Index" will also identify both the IRB and CB page numbers. There will be no change to the manner in which the CB is cited.

4. Announcements that are published in the IRBs will be included in the CB. Previous CBs did not include announcements.

5. A list of "Actions Relating to Decisions of the Tax Court" and a list of "Disbarments and Suspensions" will remain as components of the CB.

6. Public laws relating to taxes will continue to be provided in volume 3 of the CB. If additional volumes are needed to published public laws, the CBs will be labeled consecutively as volume 4, 5, etc.

#### Announcement 99-40

On July 1, 1998, temporary regulations T.D. 8774, 1998-30 I.R.B. 5, were published in the Federal Register (63 F.R. 35799) relating to the kerosene excise tax. Recently, a group of taxpayers has advised the Internal Revenue Service that the taxpayers were unaware that they needed to be registered by the IRS for purposes of this tax. To address the problem, the final kerosene tax regulations will provide the following rules: (1) The period during which persons are treated as registered under the transitional registration rule, which currently is scheduled to expire on April 1, 1999, will instead expire on July 1, 1999; (2) Airlines, other aircraft operators, and fixed base operators that store kerosene in a terminal, and kerosene terminal operators will be treated as registered for purposes of the kerosene tax under the transitional registration rule. Further, the IRS will provide an expedited kerosene tax registration procedure.

Under the expedited procedure, persons that apply for registration with their IRS district office by May 14, 1999, will be given either a conditional Letter of Registration or a denial by June 30, 1999. To apply, an applicant files Form 637, Application for Registration (For Certain Excise Tax Activities), under activity S. An "S" registration is in addition to any "H" or "Y" registration an applicant may have received. Form 637 is filed with the IRS district director for the district where the applicant has its principal place of business. An applicant may obtain the address of its district director by calling 1-800-829-1040. Applicants who do not have a principal place of business in the United States file Form 637 with the IRS, Office of Assistant Commissioner (International), 950 L'Enfant Plaza South, SW, Attention: OP:IN:D:C:E, Washington, DC 20024.

The principal author of this announcement is Frank Boland of the Office of Assistant Chief Counsel (Passthroughs and Special Industries). For further information regarding this announcement contact Frank Boland at (202) 622-3130 (not a toll-free call).

#### Announcement 99-41

### Federal Insurance Contributions Act (FICA) Taxation of Amounts Under Employee Benefit Plans; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to final regulations.

SUMMARY: This document contains corrections to Treasury Decision 8814, 1999-9 I.R.B. 4, which was published in the **Federal Register** on Friday, January 29, 1999 (64 F.R. 4542) that provides guidance as to when amounts deferred under or paid from a nonqualified deferred compensation plan are taken into account as wages for purposes of the employment taxes imposed by the Federal Insurance Contributions Act (FICA).

DATES: This correction is effective January 29, 1999.

FOR FURTHER INFORMATION CONTACT: Janine Cook, Linda E. Alsalihi, or Margaret Owens, (202) 622-6040 (not a toll-free number).

#### SUPPLEMENTARY INFORMATION:

##### *Background*

The final regulations that are the subject of these corrections are under section 3121 of the Internal Revenue Code.

##### *Need for Correction*

As published, T.D. 8814 contains errors which may prove to be misleading and are in need of clarification.

##### *Correction of Publication*

Accordingly, the publication of the final regulations (T.D. 8814), which was the subject of FR Doc. 99-1663, is corrected as follows:

1. On page 4542, column 1, in the regulation heading, the language "RIN 1545-AT27" is corrected to read "RIN 1545-AF97".

#### **§31.3121(v)(2)-1 [Corrected]**

2. On page 4550, column 3, §31.3121(v)(2)-1(b)(5), paragraph (i) of

*Example 10*, line 9, the language “employee’s designated beneficiary in a single” is corrected to read “employee’s designated beneficiary in a single lump”.

3. On page 4551, column 1, §1.3121(v)(2)–1(b)(5), paragraph (ii) of *Example 10*, line 3 from the bottom of the paragraph, the language “payable in the event of the Employee E’s” is corrected to read “payable in the event of Employee E’s”.

4. On page 4551, column 1, §1.3121(v)(2)–1(b)(5), paragraph (ii) of *Example 11*, line 4 from the bottom of the paragraph, the language “E under the plan during the Employee E’s” is corrected to read “E under the plan during Employee E’s”.

5. On page 4566, column 3, §1.3121(v)(2)–1(g)(5), paragraph (i) of *Example 8*, line 14, the language “Based Employer R’s estimate that Employee” is corrected to read “Based on Employer R’s estimate that Employee”.

6. On page 4566, column 3, §1.3121(v)(2)–1(g)(5), paragraph (i) of *Example 8*, line 5 from the bottom of the paragraph, the language “which Employee R has a legally binding right” is corrected to read “which Employee F has a legally binding right”.

Cynthia E. Grigsby,  
Chief, Regulations Unit,  
Assistant Chief Counsel (Corporate).

(Filed by the Office of the Federal Register on March 31, 1999, 8:45 a.m., and published in the issue of the Federal Register for April 1, 1999, 64 F.R. 15687)

## Announcement 99–42

### Certain Transfers of Stock or Securities by U.S. Persons to Foreign Corporations and Related Reporting Requirements; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to final regulations.

SUMMARY: This document contains corrections to Treasury Decision 8770, 1998–27 I.R.B. 4, which was published in the **Federal Register** on Friday, June 19, 1998 (63 F.R. 33550) relating to certain

transfers of stock or securities by U.S. persons to foreign corporations pursuant to the corporate organization and reorganization provisions of the Internal Revenue Code, and the reporting requirements related to such transfers.

DATES: These corrections are effective July 20, 1998.

FOR FURTHER INFORMATION CONTACT: Philip L. Tretiak, (202) 622-3860 (not a toll-free number).

#### SUPPLEMENTARY INFORMATION:

##### *Background*

The final regulations that are the subject of these corrections are under sections 367 and 6038B of the Internal Revenue Code.

##### *Need for Correction*

As published, T.D. 8770 contains errors which may prove to be misleading and are in need of clarification.

##### *Correction of Publication*

Accordingly, the publication of the final regulations (T.D. 8770), which was the subject of FR Doc. 98–15454, is corrected as follows:

1. On page 33555, column 2, in the preamble under the paragraph heading “Effective Dates”, line 19, the language “a United States shareholder but does” is corrected to read “a United States shareholder but does not”.

##### §1.367(a)–3 [Corrected]

2. On page 33556, column 1, §1.367(a)–3(a), lines 22 through 24, the language “a U.S. person exchanges stock of one foreign corporation for stock of another foreign corporation in a reorganization” is corrected to read “a U.S. person exchanges stock of a foreign corporation in a reorganization”.

3. On page 33556, column 1, §1.367(a)–3(a), line 27, the language “domestic corporation for stock of a” is corrected to read “domestic or foreign corporation for stock of a”.

4. On page 33559, column 1, §1.367(a)–3(d)(3), paragraph (ii) of *Example 6*, line 10, the language “§1.367(a)–8(g)(3)(i) (which includes the” is cor-

rected to read §1.367(a)–8(g)(3) (which includes the”.

##### §1.367(b)–4 [Corrected]

5. On page 33568, column 1, §1.367(b)–4(b)(5)(i), line 4, the language “transaction described in paragraph (b)(1)” is corrected to read “transaction described in paragraph (a)”.

6. On page 33568, column 2, §1.367(b)–4(b)(5)(ii), paragraph (ii) of the *Example*, line 2, the language “an exchange described in paragraph (b) of” is corrected to read “an exchange described in paragraph (a) of”.

##### §1.6038B–1 [Corrected]

7. On page 33569, column 1, § 1.6038B–1(b)(2)(i) introductory text, line 4, the language “in section 6038(a)(1)(A) will be” is corrected to read “in section 6038B(a)(1)(A) will be”.

Cynthia E. Grigsby,  
Chief, Regulations Unit,  
Assistant Chief Counsel (Corporate).

(Filed by the Office of the Federal Register on March 31, 1999, 8:45 a.m., and published in the issue of the Federal Register for April 1, 1999, 64 F.R. 15687)

## Announcement 99–43

### Notice of Certain Transfers to Foreign Partnerships and Foreign Corporations; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to final regulations.

SUMMARY: This document contains corrections to final income tax regulations T.D. 8817, 1999–8 I.R.B. 51, that were published in the **Federal Register** on Friday, February 5, 1999 (64 F.R. 5713) relating to certain transfers to foreign partnerships and corporations by U.S. persons.

DATES: This correction is effective February 5, 1999.

FOR FURTHER INFORMATION CONTACT: Eliana Dolgoff (202)622-3860 (not a toll-free number).

## SUPPLEMENTARY INFORMATION:

### *Background*

The final regulations that are the subject of this correction are under section 6038B of the Internal Revenue Code.

### *Need for Correction*

As published, the final regulations contain errors that may prove to be misleading and are in need of clarification.

### *Correction of Publication*

Accordingly, the publication of the final regulations (T.D. 8817), that were the subject of FR Doc. 99-2798 is corrected as follows:

#### **§1.6038B-1 [Corrected]**

1. On page 5715, column 1, §1.6038B-1(b)(1)(i), lines 4 through 7, the language “paragraph (b)(2) of this section, or cash, which is subject to special rules contained in paragraph (b)(3) of this section, any U.S. person that makes a” is corrected to read “paragraph (b)(2) of this section, any U.S. person that makes a”. In §1.6038B-1(b)(1)(i), the last line, the language “Property to a Foreign Corporation.” is corrected to read “Property to a Foreign Corporation. For special rules regarding cash transfers made in tax years beginning after February 5, 1999, see paragraphs (b)(3) and (g) of this section.”

2. On page 5715, column 1, §1.6038B-1(b)(3) introductory text, line 2, the language “foreign corporation must report the” is corrected to read “foreign corporation in a transfer described in section 6038B(a)(1)(A) must report the”.

3. On page 5715, column 2, §1.6038B-1(c), line 6, the language “section 6038B(a)(1)(A) (including cash” is corrected to read “section 6038B(a)(1)(A) (including cash transferred in taxable years beginning after February 5, 1999,”.

4. On page 5715, column 2, §1.6038B-1(g), lines 3 through 8, the language “July 20, 1998, except that the first sentence of paragraph (b)(1)(i), paragraph (b)(3), and the first sentence of paragraph (c) apply to transfers occurring in taxable years beginning after February 5, 1999. See §1.6038B-” is corrected to read “July 20, 1998, except that transfers of cash made in taxable years beginning on or before

February 5, 1999 are not required to be reported under section 6038B. See §1.6038B-”.

#### **§1.6038B-2 [Corrected]**

5. On page 5717, column 2, §1.6038B-2(j)(1)(ii), line 1, the language, “Filing a Form 926 with the” is corrected to read “Filing a Form 926 (modified to reflect that the transferee is a partnership, not a corporation) with the”.

Cynthia E. Grigsby,  
Chief, Regulations Unit,  
Assistant Chief Counsel (Corporate).

(Filed by the Office of the Federal Register on March 31, 1999, 8:45 a.m., and published in the issue of the Federal Register for April 1, 1999, 64 F.R. 15686)

## **Announcement 99-44**

### **OMB Control Numbers Assigned Pursuant to the Paperwork Reduction Act; Correction**

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correcting amendment.

SUMMARY: This document contains corrections to final regulations T.D. 8011, 1985-1 C.B. 397, which were published in the **Federal Register** on Thursday, March 14, 1985 (50 F.R. 10221) relating to the displaying of OMB control numbers on this agency's regulations that solicit or obtain information from the public.

DATES: This correction is effective November 12, 1996.

FOR FURTHER INFORMATION CONTACT: Marshall Feiring, (202) 622-3940, (not a toll-free number).

## SUPPLEMENTARY INFORMATION:

### *Background*

The final regulations that are the subject of these corrections displays this agency's control numbers and implemented requirements of regulations promulgated by the Office of Management and Budget pursuant to the Paperwork Reduction Act of 1980.

### *Need for Correction*

As published, final regulations (T.D. 8011) contain errors which may prove to be misleading and are in need of clarification.

### *List of Subjects in 26 CFR Part 602*

Reporting and recordkeeping requirements.

### *Correcting Amendment to Regulations*

Accordingly, 26 CFR part 602 is corrected by making the following correcting amendments:

#### **PART 602 — OMB CONTROL NUMBERS UNDER THE PAPERWORK REDUCTION ACT**

Paragraph 1. The authority citation for part 602 continues to read as follows:

Authority: 26 U.S.C. 7805.

#### **§602.101 [Corrected]**

Par. 2. In §602.101, paragraph (a), second sentence, the language “(together with 26 CFR 601.9000)” is removed.

Par. 3. In §602.101, paragraph (b) is removed and paragraph (c) is redesignated as paragraph (b).

Cynthia E. Grigsby,  
Chief, Regulations Unit,  
Assistant Chief Counsel (Corporate).

(Filed by the Office of the Federal Register on March 31, 1999, 8:45 a.m., and published in the issue of the Federal Register for April 1, 1999, 64 F.R. 15688)

### **Deletions From Cumulative List of Organizations Contributions to Which are Deductible Under Section 170 of the Code**

## **Announcement 99-45**

The name of an organization that no longer qualifies as an organization described in section 170(c)(2) of the Internal Revenue Code of 1986 is listed below.

Generally, the Service will not disallow deductions for contributions made to a listed organization on or before the date of announcement in the Internal Revenue Bulletin that an organization no longer qualifies. However, the Service is not pre-



cluded from disallowing a deduction for any contributions made after an organization ceases to qualify under section 170(c)(2) if the organization has not timely filed a suit for declaratory judgment under section 7428 and if the contributor (1) had knowledge of the revocation of the ruling or determination letter, (2) was aware that such revocation was imminent, or (3) was in part responsible for or was aware of the activities or omissions of the organization that brought about this revocation.

If on the other hand a suit for declaratory judgment has been timely filed, contributions from individuals and organizations described in section 170(c)(2) that are otherwise allowable will continue to be deductible. Protection under section 7428(c) would begin on April 19, 1999, and would end on the date the court first determines that the organization is not de-

scribed in section 170(c)(2) as more particularly set forth in section 7428(c)(1). For individual contributors, the maximum deduction protected is \$1,000, with a husband and wife treated as one contributor. This benefit is not extended to any individual, in whole or in part, for the acts or omissions of the organization that were the basis for revocation.

Abraham Lincoln Opportunity  
Foundations, Pine Mountain, GA

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### **Proposed Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding; Correction**

#### **Announcement 99-46**

Announcement 99-24, 1999-14 I.R.B.  
12, contained copies of proposed Form

1042-S that were poorly reproduced. We are providing more legible copies of Form 1042-S in this announcement.

As a result, we have extended the date for receiving comments for that form to May 19, 1999. Please send your comments to Chairman, Tax Forms Coordinating Committee, Internal Revenue Service, OP:FS:FP, Room 5577, 1111 Constitution Avenue, NW, Washington, DC 20224. Alternatively, you may e-mail your comments to [tfpmail@publish.no.irs.gov](mailto:tfpmail@publish.no.irs.gov).

**Foreign Person's U.S. Source Income  
Subject to Withholding**

For Paperwork Reduction Act Notice, see page 1 of the separate instructions.

**2000**

OMB No. 1545-0048

**Copy A** for  
Internal Revenue Service

1 Income code	2 Recipient code	3 Gross income	4 Withholding allowance	5 Net income	6 Tax rate	7 Exemption code	8 Tax withheld	9 Amount reimbursed to recipient
10 RECIPIENT'S name (first name, initial, and last name), street address, city or town, province or state, and country (including postal code)					11 Recipient's U.S. taxpayer identification number, if any ▶ <input type="checkbox"/> SSN or ITIN <input type="checkbox"/> EIN <input type="checkbox"/> QI-EIN			
					12 Recipient's country of residence for tax purposes		13 Country code	
15 WITHHOLDING AGENT'S name and address (including ZIP code)					14 Account number (optional) ▶			
					17 NONQUALIFIED INTERMEDIARY'S/ FLOW-THROUGH ENTITY'S name		18 Country code	
					19 Nonqualified intermediary's/flow-through entity's TIN			
					20 PAYER'S name and TIN (if different from withholding agent's)			
16 Withholding agent's taxpayer identification number (TIN) ▶ <input type="checkbox"/> SSN or ITIN <input type="checkbox"/> EIN <input type="checkbox"/> QI-EIN					21 State income tax withheld			
					22 Payer's state tax number		23 Name of state	

☐ VOID ☐ CORRECTED

Cat. No. 1-388A

Form **1042-S** (2000)

**Foreign Person's U.S. Source Income  
Subject to Withholding**

**2000**

OMB No 1545-0046

**Copy 8  
for Recipient**

1 Income code	2 Recipient code	3 Gross income	4 Withholding allowances	5 Net income	6 Tax rate	7 Exemption code	8 Tax withheld	9 Amount reimbursed to recipient
10 RECIPIENT'S name (first name, initial, and last name), street address, city or town, province or state, and country (including postal code)					11 Recipient's U.S. taxpayer identification number, if any ▶ <input type="checkbox"/> SSN or TIN <input type="checkbox"/> EIN <input type="checkbox"/> GI-EIN			
15 WITHHOLDING AGENT'S name and address (including ZIP code)					12 Recipient's country of residence for tax purposes			13 Country code
					14 Account number (optional) ▶			18 Country code
					17 NONQUALIFIED INTERMEDIARY'S/ FLOW-THROUGH ENTITY'S name			
					19 Nonqualified intermediary's/flow-through entity's TIN			20 PAYER'S name and TIN (if different from withholding agent's)
16 Withholding agent's taxpayer identification number (TIN) ▶ <input type="checkbox"/> SSN or TIN <input type="checkbox"/> EIN <input type="checkbox"/> GI-EIN					21 State income tax withheld			23 Name of state
22 Payer's state tax number								

☐ **CORRECTED** (if checked)

Form **1042-S** (2000)

## U.S. Income Tax Filing Requirements

Every nonresident alien individual, nonresident alien fiduciary, and foreign corporation with United States income, including income that is effectively connected with the conduct of a trade or business in the United States, must file a United States income tax return. However, no return is required to be filed by a nonresident alien individual, nonresident alien fiduciary, or a foreign corporation if such person was not engaged in a trade or business in the United States at any time during the tax year and if the tax liability of such person was fully satisfied by the withholding of United States tax at the source. (Corporations file Form 1120-F; all others file Form 1040NR for Form 1040NR-EZ if eligible.) You may get the return forms and instructions at any United States Embassy or consulate or by writing to: Eastern Area Distribution Center, P.O. Box 25866, Richmond, VA 23266-8107, U.S.A.

Tout étranger non-résident, tout organisme fiduciaire étranger non-résident et toute société étrangère percevant un revenu aux Etats-Unis, y compris tout revenu dérivé, en fait, du fonctionnement d'un commerce ou d'une affaire aux Etats-Unis, doit soumettre aux Etats-Unis, une déclaration d'impôt sur le revenu. Cependant aucune déclaration d'impôt sur le revenu n'est exigée d'un étranger non-résident, d'un organisme fiduciaire étranger non-résident, ou d'une société étrangère s'ils n'ont participé à aucun commerce ou affaire aux Etats-Unis à aucun moment pendant l'année fiscale et si les impôts dont ils sont redevables ont été entièrement acquittés par une retenue à la source de leur montant. (Les sociétés doivent faire leur déclaration d'impôt en remplissant le formulaire 1120-F; tous les autres redevables doivent remplir le formulaire 1040NR (ou 1040NR-EZ si éligible.) On peut se procurer les formulaires de déclaration d'impôts et instructions dans toutes les Ambassades et tous les Consuls des Etats-Unis. L'on peut également s'adresser pour tous renseignements à: Eastern Area Distribution Center, P.O. Box 25866, Richmond, VA 23266-8107, U.S.A.

Todo extranjero no residente, todo organismo fiduciario extranjero no residente y toda sociedad anónima extranjera que reciba ingresos en los Estados Unidos, incluyendo ingresos relacionados con la conducción de un negocio o comercio dentro de los Estados Unidos, deberá presentar una declaración estadounidense de impuestos sobre ingresos. Sin embargo, no se requiere declaración alguna si un individuo extranjero, una sociedad anónima extranjera y organismo fiduciario extranjero no residente, si tal persona no ha efectuado comercio o negocio en los Estados Unidos durante el año fiscal y si la responsabilidad con los impuestos de tal persona ha sido satisfecha plenamente mediante retención de impuesto de los Estados Unidos en la fuente. (Las sociedades deben enviar la Forma 1120-F; todos los demás contribuyentes envían la Forma 1040NR (o la Forma 1040NR-EZ si le corresponde).) Se pueden obtener formas e instrucciones en cualquier Embajada o Consulado de los Estados Unidos o escribiendo directamente a: Eastern Area Distribution Center, P.O. Box 25866, Richmond, VA 23266-8107, U.S.A.

Jede ausländische Einzelperson, jeder ausländische Bevollmächtigte und jede ausländische Gesellschaft mit Einkommen in den Vereinigten Staaten, einschliesslich des Einkommens, welches direkt mit der Ausübung von Handel oder Gewerbe innerhalb der Staaten verbunden ist, müssen eine Einkommensteuererklärung der Vereinigten Staaten abgeben. Eine Erklärung muss jedoch nicht von Ausländern, ausländischen Bevollmächtigten oder ausländischen Gesellschaften in den Vereinigten Staaten eingereicht werden, falls eine solche Person während des Steuerjahres kein Gewerbe oder Handel in den Vereinigten Staaten ausgeübt hat und die Steuerschuld durch Einbehaltung der Steuern der Vereinigten Staaten durch die Einkommensquelle abgegolten ist. (Gesellschaften reichen den Vordruck 1120-F ein; alle anderen reichen das Formblatt 1040NR oder wenn passend das Formblatt 1040NR-EZ ein.) Einkommensteuererklärungen und Instruktionen können bei den Botschaften und Konsulaten der Vereinigten Staaten eingeholt werden. Um weitere Informationen werde man sich bitte an: Eastern Area Distribution Center, P.O. Box 25866, Richmond, VA 23266-8107, U.S.A.



**Foreign Person's U.S. Source Income  
Subject to Withholding**

**2000**

OMB No. 1545-0046

**Copy C** for Recipient  
Attach to any federal tax return you file

1 Income code	2 Recipient code	3 Gross income	4 Withholding allowance	5 Net income	6 Tax rate	7 Exemption code	8 Tax withheld	9 Amount reimbursed to recipient
10 RECIPIENT'S name (first name, initial, and last name), street address, city or town, province or state, and country (including postal code)					11 Recipient's U.S. taxpayer identification number, if any <input type="checkbox"/> SSN or TIN <input type="checkbox"/> EIN <input type="checkbox"/> Q-EIN			
16 WITHHOLDING AGENT'S name and address (including ZIP code)					12 Recipient's country of residence for tax purposes			13 Country code
					14 Account number (optional)			
					17 NONQUALIFIED INTERMEDIARY'S/ FLOW-THROUGH ENTITY'S name			18 Country code
					19 Nonqualified intermediary's/Flow-through entity's TIN			
					20 PAYER'S name and TIN (if different from withholding agent's)			
					21 State income tax withheld			
19 Withholding agent's taxpayer identification number (TIN) <input type="checkbox"/> SSN or TIN <input type="checkbox"/> EIN <input type="checkbox"/> Q-EIN					22 Payer's state tax number		23 Name of state	

☐ **CORRECTED** (if checked)

Form **1042-S** (2000)

## Explanation of Codes

### Line 1. Income code.

Code	Type of Income
01	Interest paid by U.S. obligors—general
02	Interest on real property mortgages
03	Interest paid to controlling foreign corporations
04	Interest paid by foreign corporations
05	Interest on tax-free covenant bonds
06	Deposit interest
07	Original issue discount (OID)
08	Short-term OID
09	Dividends paid by U.S. corporations—general
10	Dividends paid by U.S. subsidiaries to foreign parent corporations (including corporate dividends)
11	Dividends paid by foreign corporations
12	Capital gains
13	Industrial royalties
14	Motion picture or television copyright royalties
15	Other royalties (e.g., copyright, recording, publishing)
16	Real property income and natural resource royalties
17	Pensions, annuities, alimony, and/or insurance premiums
18	Scholarship or fellowship grants
19	Compensation for independent personal services
20	Compensation for dependent personal services
21	Compensation for teaching
22	Compensation during studying and training
23	Earnings as an artist or athlete
24	Real estate investment trust (REIT) distributions of capital gains
25	Trust distributions subject to IRC section 1446
26	Unsevered growing crops and timber distributions by a trust subject to IRC section 1446
27	Publicly traded partnership distributions subject to IRC section 1446
28	Gambling winnings
29	National principal contract income <sup>1</sup>
30	Other income

<sup>1</sup>If compensation that otherwise would be covered under Income Codes 19–22 is directly attributable to the recipient's occupation as an artist or athlete, use Income Code 23 instead.

<sup>2</sup>If Income Code 23 is used, Recipient Code 02 (artist or athlete) should be used instead of Recipient Code 01 (individual), 07 (corporation), or 03 (partnership).

<sup>3</sup>Use appropriate Interest Income Code for embedded interest in a national principal contract.

<sup>4</sup>May be used only by a qualified intermediary.

<sup>5</sup>Non-U.S. source income received by a nonresident alien is not subject to U.S. tax. Use Exemption Code 3 when entering an amount for information reporting purposes only.

### Line 2. Recipient code.

Code	Type of Recipient
01	Individual <sup>1</sup>
02	Artist or athlete <sup>2</sup>
03	Partnership other than withholding foreign partnership <sup>3</sup>
04	Withholding foreign partnership
05	Trust
06	Estate
07	Corporation <sup>4</sup>
08	Government or International Organization
09	Tax-Exempt Organization (IRC section 501(c))
10	Private foundation
11	U.S. branch treated as U.S. person
12	Qualified intermediary
13	Private Arrangement Intermediary <sup>5</sup>
14	Qualified Intermediary Withholding Pool <sup>5</sup>
15	Unknown Recipient

Line 7. Exemption code applies if the tax rate entered in line 6 is 0%.

Code	Authority for Exemption
1	Income effectively connected with a U.S. trade or business
2	Exempt under an Internal Revenue Code section (income other than portfolio interest)
3	Income is not from U.S. sources <sup>5</sup>
4	Exempt under tax treaty
5	Portfolio interest exempt under an Internal Revenue Code section
6	Qualified intermediary that assumes primary withholding responsibility
7	Withholding foreign partnership
8	U.S. branch treated as a U.S. person
9	Qualified intermediary represents income is exempt

Form **1042-S**Department of the Treasury  
Internal Revenue Service**Foreign Person's U.S. Source Income  
Subject to Withholding****2000**

OMB No. 1545-0046

**Copy D for Recipient**

Attach to any other tax return you file

1 Income code	2 Recipient code	3 Gross income	4 Withholding allowances	5 Net income	6 Tax rate	7 Exemption code	8 Tax withheld	9 Amount reimbursed to recipient
10 RECIPIENT'S name (first name, initial, and last name), street address, city or town, province or state, and country (including postal code)					11 Recipient's U.S. taxpayer identification number, if any ▶ <input type="checkbox"/> SSN or TIN <input type="checkbox"/> EIN <input type="checkbox"/> QI-EIN			
					12 Recipient's country of residence for tax purposes		13 Country code	
16 WITHHOLDING AGENT'S name and address (including ZIP code)					14 Account number (optional) ▶			
					17 NONQUALIFIED INTERMEDIARY'S/ FLOW-THROUGH ENTITY'S name			18 Country code
					19 Nonqualified intermediary's/Flow-through entity's TIN			
					20 PAYER'S name and TIN (if different from withholding agent's)			
18 Withholding agent's taxpayer identification number (TIN) ▶ <input type="checkbox"/> SSN or TIN <input type="checkbox"/> EIN <input type="checkbox"/> QI-EIN					21 State income tax withheld		22 Payer's state tax number	
					23 Name of state			

☐ **CORRECTED** (if checked)Form **1042-S** (2000)

**Foreign Person's U.S. Source Income  
Subject to Withholding**

**2000**

OMB No. 1545-0046

**Copy E**  
for Withholding Agent

For Paperwork Reduction Act Notice, see page 1 of the separate instructions.

1 Income code	2 Recipient code	3 Gross income	4 Withholding allowances	5 Net income	6 Tax rate	7 Exemption code	8 Tax withheld	9 Annual amount paid to resident
10 RECIPIENT'S name (first name, initials, and last name), street address, city or town, province or state, and country (including postal code)					11 Recipient's U.S. taxpayer identification number, if any			
					<input type="checkbox"/> SSN or TIN <input type="checkbox"/> EIN <input type="checkbox"/> OI-EIN			
					12 Recipient's country of residence for tax purposes		13 Country code	
15 WITHHOLDING AGENT'S name and address (including ZIP code)					14 Account number (optional)			
					17 NONQUALIFIED INTERMEDIARY'S/ FLOW-THROUGH ENTITY'S name		18 Country code	
					19 Nonqualified intermediary's/Flow-through entity's TIN			
					20 PAYER'S name and TIN (if different from withholding agent's)			
					21 State income tax withheld			
16 Withholding agent's taxpayer identification number (TIN)					22 Payer's state tax number		23 Name of state	
<input type="checkbox"/> SSN or TIN <input type="checkbox"/> EIN <input type="checkbox"/> OI-EIN								

☐ VOID ☐ CORRECTED

Form **1042-S** (2000)



# Announcement of the Consent Voluntary Suspension of Attorneys, Certified Public Accountants, Enrolled Agents, and Enrolled Actuaries From Practice Before the Internal Revenue Service

Under 31 Code of Federal Regulations, Part 10, an enrolled agent, in order to avoid the institution or conclusion of a proceeding for his disbarment or suspension from practice before the Internal Revenue Service, may offer his resignation from such practice. The Director of Practice, in his discretion, may suspend an enrolled agent in accordance with the consent offered.

Attorneys, certified public accountants, enrolled agents, and enrolled actuaries are prohibited in any Internal Revenue Ser-

vice matter from directly or indirectly employing, accepting assistance from, being employed by or sharing fees with, any enrolled agent who has resigned from practice before the Internal Revenue Service.

To enable attorneys, certified public accountants, enrolled agents, and enrolled actuaries to identify former enrolled agents who have resigned from practice before the Internal Revenue Service, the Director of Practice will announce in the Internal Revenue Bulletin the names and addresses of former enrolled agents who

have resigned from such practice, and date of resignation. This announcement will appear in the weekly Bulletin at the earliest practicable date after such action and will continue to appear in the weekly Bulletins for five successive weeks or for as many weeks as is practicable for each enrolled agent, who has resigned, and will be consolidated and published in the Cumulative Bulletin.

The following individual has offered his resignation as an enrolled agent:

Name	Address	Date of Resignation
Ellis, Ronald C.	Billings, MT	October 6, 1998

# Announcement of the Expedited Suspension of Attorneys, Certified Public Accountants, Enrolled Agents, and Enrolled Actuaries From Practice Before the Internal Revenue Service

Under Title 31 of the Code of Federal Regulations, section 10.76, the Director of Practice is authorized to immediately suspend from practice before the Internal Revenue Service any practitioner who, within five years, from the date the expedited proceeding is instituted, (1) has had a license to practice as an attorney, certified public accountant, or actuary suspended or revoked for cause; or (2) has been convicted of any crime under title 26 of the United States Code or, of a felony under title 18 of the United States Code involving dishonesty or breach of trust.

Attorneys, certified public accountants, enrolled agents, and enrolled actuaries are

prohibited in any Internal Revenue Service matter from directly or indirectly employing, accepting assistance from, being employed by, or sharing fees with, any practitioner disbarred or suspended from practice before the Internal Revenue Service.

To enable attorneys, certified public accountants, enrolled agents, and enrolled actuaries to identify practitioners under expedited suspension from practice before the Internal Revenue Service, the Director of Practice will announce in the Internal Revenue Bulletin the names and addresses of practitioners who have been suspended from such practice, their designation as attorney, certified public accountant, en-

rolled agent, or enrolled actuary, and date or period of suspension. This announcement will appear in the weekly Bulletin at the earliest practicable date after such action and will continue to appear in the weekly Bulletins for five successive weeks or for as many weeks as is practicable for each attorney, certified public accountant, enrolled agent, or enrolled actuary so suspended and will be consolidated and published in the Cumulative Bulletin.

The following individual have been placed under suspension from practice before the Internal Revenue Service by virtue of the expedited proceeding provisions of the applicable regulations:

Name	Address	Designation	Date of Suspension
Pierce, Steven J.	Aventura, FL	Attorney	Indefinite from October 15, 1998
Baker, Charles C.	Monteagle, TN	Attorney	Indefinite from October 15, 1998
Kantor, Stanley L.	New York, NY	Attorney	Indefinite from October 15, 1998
Wagner, Richard E.	Spencerport, NY	Enrolled Agent	Indefinite from October 15, 1998
Tuohey, Seamus	Montclair, NJ	Attorney	Indefinite from October 15, 1998
Burke, Beau E.	Santa Rosa, CA	CPA	Indefinite from October 15, 1998
Marn, Eric Y.	Honolulu, HI	Attorney	Indefinite from October 15, 1998
Todd, Kenneth	Tulsa, OK	Attorney	Indefinite from November 4, 1998

# Announcement of the Disbarment and Suspension of Attorneys, Certified Public Accountants, Enrolled Agents, and Enrolled Actuaries From Practice Before the Internal Revenue Service

Under 330, Title 31 of the United States Code, the Secretary of the Treasury, after due notice and opportunity for hearing, is authorized to suspend or disbar from practice before the Internal Revenue Service any person who has violated the rules and regulations governing the recognition of attorneys, certified public accountants, enrolled agents, or enrolled actuaries to practice before the Internal Revenue Service.

Attorneys, certified public accountants, enrolled agents, and enrolled actuaries are prohibited in any Internal Revenue Service matter from directly or indirectly employ-

ing, accepting assistance from, being employed by, or sharing fees with, any practitioner disbarred or under suspension from practice before the Internal Revenue Service.

To enable attorneys, certified public accountants, enrolled agents, and enrolled actuaries to identify such disbarred or suspended practitioners, the Director of Practice will announce in the Internal Revenue Bulletin the names and addresses of practitioners who have been suspended from such practice, their designation as attorney, certified public accountant, enrolled agent, or enrolled actu-

ary, and date of disbarment or period of suspension. This announcement will appear in the weekly Bulletin for five successive weeks or as long as it is practicable for each attorney, certified public accountant, enrolled agent, or enrolled actuary so suspended or disbarred and will be consolidated and published in the Cumulative Bulletin.

After due notice and opportunity for hearing before an administrative law judge, the following individuals have been disbarred from further practice before the Internal Revenue Service:

Name	Address	Designation	Effective Date
Shaw-Boatner, Deborah	Austin, TX	CPA	September 24, 1998
Hannum, David	Philadelphia, PA	Enrolled Agent	September 30, 1998
Miller, Theodore	Neshaminy Valley, PA	CPA	February 27, 1999

# Announcement of the Consent Voluntary Suspension of Attorneys, Certified Public Accountants, Enrolled Agents, and Enrolled Actuaries From Practice Before the Internal Revenue Service

Under 31 Code of Federal Regulations, Part 10, an attorney, certified public accountant, enrolled agent, or enrolled actuary, in order to avoid the institution or conclusion of a proceeding for his disbarment or suspension from practice before the Internal Revenue Service, may offer his consent to suspension from such practice. The Director of Practice, in his discretion, may suspend an attorney, certified public accountant, enrolled agent, or enrolled actuary in accordance with the consent offered.

Attorneys, certified public accountants, enrolled agents, and enrolled actuaries are prohibited in any Internal Revenue Ser-

vice matter from directly or indirectly employing, accepting assistance from, being employed by, or sharing fees with any practitioner disbarred or suspended from practice before the Internal Revenue Service.

To enable attorneys, certified public accountants, enrolled agents, and enrolled actuaries to identify practitioners under consent suspension from practice before the Internal Revenue Service, the Director of Practice will announce in the Internal Revenue Bulletin the names and addresses of practitioners who have been suspended from such practice, their designation as attorney, certified public ac-

countant, enrolled agent, or enrolled actuary, and date or period of suspension. This announcement will appear in the weekly Bulletin at the earliest practicable date after such action and will continue to appear in the weekly Bulletins for five successive weeks or for as many weeks as is practicable for each attorney, certified public accountant, enrolled agent, or enrolled actuary so suspended and will be consolidated and published in the Cumulative Bulletin.

The following individuals have been placed under consent suspension from practice before the Internal Revenue Service:

Name	Address	Designation	Date of Suspension
Cohn, Irving	Baltimore, MD	Attorney	September 4, 1998 to September 3, 2000
Hwang, Catherine T.	Livingston, NJ	CPA	October 1, 1998 to September 30, 1999
Bratek, Ronald	N. Brunswick, NJ	CPA	October 5, 1998 to July 4, 2000
Walker, Frank O.	Bay City, TX	CPA	October 5, 1998 to April 4, 2001
Ng, Peter J.	Monticello, NY	Attorney	October 5, 1998 to May 4, 2002
Sopkovich, Carol	Girard, OH	Attorney	October 5, 1998 to October 4, 2001
Kappler, John E.	Evansville, IN	CPA	October 8, 1998 to October 7, 1999
Sarcia, Jerry J.	Libertyville, IL	CPA	October 30, 1998 to August 29, 2002
Spey, Gregory E.	Youngstown, OH	CPA	November 1, 1998 to April 30, 2001
Jacobson, Kenneth	Jacksonville, FL	CPA	November 9, 1998 to November 8, 2000
Lopshire, Larry	Whiteland, IN	CPA	December 2, 1998 to December 1, 1999
Lederer, Christine L.	Somers, CT	Attorney	December 7, 1998 to December 6, 2001
Kieffer, Richard D.	Olney, IL	CPA	December 15, 1998 to December 14, 1999
Cleaver Jr., Thomas E.	Severna Park, MD	Enrolled Agent	December 23, 1998 to June 22, 2002
Trent, Douglas I.	Allen, TX	CPA	January 1, 1999 to December 31, 1999
Winters, John E.	Bayonne, NJ	CPA	January 1, 1999 to September 30, 1999
Todd Jr., Emory S.	Chester Springs	CPA	January 15, 1999 to July 14, 1999
Hawkins, William M.	Indianapolis, IN	Attorney	February 1, 1999 to January 31, 2002
Gimbal, Peter	Union City, NJ	CPA	April 1, 1999 to September 30, 2000
Ryan, Thomas J.	Danbury, CT	Attorney	May 1, 1999 to October 30, 2000



## Definition of Terms

*Revenue rulings and revenue procedures (hereinafter referred to as "rulings") that have an effect on previous rulings use the following defined terms to describe the effect:*

*Amplified* describes a situation where no change is being made in a prior published position, but the prior position is being extended to apply to a variation of the fact situation set forth therein. Thus, if an earlier ruling held that a principle applied to A, and the new ruling holds that the same principle also applies to B, the earlier ruling is amplified. (Compare with *modified*, below).

*Clarified* is used in those instances where the language in a prior ruling is being made clear because the language has caused, or may cause, some confusion. It is not used where a position in a prior ruling is being changed.

*Distinguished* describes a situation where a ruling mentions a previously published ruling and points out an essential difference between them.

*Modified* is used where the substance of a previously published position is being changed. Thus, if a prior ruling held that a principle applied to A but not to B, and the new ruling holds that it ap-

plies to both A and B, the prior ruling is modified because it corrects a published position. (Compare with *amplified* and *clarified*, above).

*Obsoleted* describes a previously published ruling that is not considered determinative with respect to future transactions. This term is most commonly used in a ruling that lists previously published rulings that are obsoleted because of changes in law or regulations. A ruling may also be obsoleted because the substance has been included in regulations subsequently adopted.

*Revoked* describes situations where the position in the previously published ruling is not correct and the correct position is being stated in the new ruling.

*Superseded* describes a situation where the new ruling does nothing more than restate the substance and situation of a previously published ruling (or rulings). Thus, the term is used to republish under the 1986 Code and regulations the same position published under the 1939 Code and regulations. The term is also used when it is desired to republish in a single ruling a series of situations, names, etc., that were previously published over a period of time in separate rulings. If the

new ruling does more than restate the substance of a prior ruling, a combination of terms is used. For example, *modified* and *superseded* describes a situation where the substance of a previously published ruling is being changed in part and is continued without change in part and it is desired to restate the valid portion of the previously published ruling in a new ruling that is self contained. In this case the previously published ruling is first modified and then, as modified, is superseded.

*Supplemented* is used in situations in which a list, such as a list of the names of countries, is published in a ruling and that list is expanded by adding further names in subsequent rulings. After the original ruling has been supplemented several times, a new ruling may be published that includes the list in the original ruling and the additions, and supersedes all prior rulings in the series.

*Suspended* is used in rare situations to show that the previous published rulings will not be applied pending some future action such as the issuance of new or amended regulations, the outcome of cases in litigation, or the outcome of a Service study.

## Abbreviations

*The following abbreviations in current use and formerly used will appear in material published in the Bulletin.*

A—Individual.  
Acq.—Acquiescence.  
B—Individual.  
BE—Beneficiary.  
BK—Bank.  
B.T.A.—Board of Tax Appeals.  
C.—Individual.  
C.B.—Cumulative Bulletin.  
CFR—Code of Federal Regulations.  
CI—City.  
COOP—Cooperative.  
Ct.D.—Court Decision.  
CY—County.  
D—Decedent.  
DC—Dummy Corporation.  
DE—Donee.  
Del. Order—Delegation Order.  
DISC—Domestic International Sales Corporation.  
DR—Donor.  
E—Estate.  
EE—Employee.

E.O.—Executive Order.  
ER—Employer.  
ERISA—Employee Retirement Income Security Act.  
EX—Executor.  
F—Fiduciary.  
FC—Foreign Country.  
FICA—Federal Insurance Contribution Act.  
FISC—Foreign International Sales Company.  
FPH—Foreign Personal Holding Company.  
F.R.—Federal Register.  
FUTA—Federal Unemployment Tax Act.  
FX—Foreign Corporation.  
G.C.M.—Chief Counsel's Memorandum.  
GE—Grantee.  
GP—General Partner.  
GR—Grantor.  
IC—Insurance Company.  
I.R.B.—Internal Revenue Bulletin.  
LE—Lessee.  
LP—Limited Partner.  
LR—Lessor.  
M—Minor.  
Nonacq.—Nonacquiescence.  
O—Organization.  
P—Parent Corporation.

PHC—Personal Holding Company.  
PO—Possession of the U.S.  
PR—Partner.  
PRS—Partnership.  
PTE—Prohibited Transaction Exemption.  
Pub. L.—Public Law.  
REIT—Real Estate Investment Trust.  
Rev. Proc.—Revenue Procedure.  
Rev. Rul.—Revenue Ruling.  
S—Subsidiary.  
S.P.R.—Statements of Procedural Rules.  
Stat.—Statutes at Large.  
T—Target Corporation.  
T.C.—Tax Court.  
T.D.—Treasury Decision.  
TFE—Transferee.  
TFR—Transferor.  
T.I.R.—Technical Information Release.  
TP—Taxpayer.  
TR—Trust.  
TT—Trustee.  
U.S.C.—United States Code.  
X—Corporation.  
Y—Corporation.  
Z—Corporation.

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<sup>1</sup> A cumulative finding list for previously published items mentioned in Internal Revenue Bulletins 1998–1 through 1998–52 will be found in Internal Revenue Bulletin 1999–1, dated January 4, 1999.

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